

January 12, 2004

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PUBLIC SERVICE COMMISSION

Honorable Thomas M. Dorman Executive Director 211 Sower Boulevard Frankfort, KY 40602-0615

> Re: Atmos Energy Corporation Case No. 98-224

Dear Mr. Dorman:

Pursuant to the Order of the Commonwealth of Kentucky dated June 16, 1998 in the above referenced docket, enclosed is the report of action for Atmos Energy Corporation for the period of July 1, 2003 through December 31, 2003.

If you have any questions or require further information, please do not hesitate to contact me at (972) 855-9755. Thank you for your assistance.

Sincerely,

Assistant Treasurer

Enclosures

Cc: Gary Smith

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COMMONWEALTH OF KENTUCKY PUBLIC SERVICE COMMISSION

JAN 2 6 2004

PUBLIC SERVICE COMMISSION

Application of Atmos Energy Corporation (Atmos), through its division, Western Kentucky Gas Company of Owensboro, Kentucky, for an order authorizing the creation and issuance of 650,000 shares of common stock through its Restricted Stock Grant Plan.

Case No. 98-224

REPORT OF ACTION Prepared 1-12-2004

Reference is made to the order entered into on June 16, 1998 that Atmos Energy Corporation ("Atmos"), through its division, Western Kentucky Gas Company ("Western") reports that the Company is authorized to create and issue up to 650,000 shares of its common stock pursuant to its Restricted Stock Grant Plan.

- 1. For the period July 1, 2003 through December 31, 2003, the Petitioner reports that there were no shares exercised under the Restricted Stock Grant Plan with no increase in capital stock. The aggregate number of shares authorized but not issued under Case No. 98-224 remained at 650,000 as of June 30, 2003.
- 2. Petitioner reports that there were no expenses associated with the Restricted Stock Grant Plan during the reported time frame.

Atmos Energy Corporation

Assistance Treasurer